

105TH CONGRESS  
1ST SESSION

# H. R. 148

To amend title XIX of the Social Security Act to assure that Medicaid disproportionate share hospital payments go directly to Medicaid disproportionate share hospitals.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 7, 1997

Mr. ENGEL introduced the following bill; which was referred to the Committee on Commerce

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## A BILL

To amend title XIX of the Social Security Act to assure that Medicaid disproportionate share hospital payments go directly to Medicaid disproportionate share hospitals.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. ASSURING MEDICAID DSH PAYMENTS GO DI-**  
4                               **RECTLY TO DISPROPORTIONATE SHARE HOS-**  
5                               **PITALS.**

6       (a) IN GENERAL.—Section 1923 of the Social Secu-  
7       rity Act (42 U.S.C. 1396r–4) is amended by adding at  
8       the end the following new subsection:

1       “(h) REQUIRING PAYMENTS TO BE MADE DIRECTLY  
2 TO DISPROPORTIONATE SHARE HOSPITALS.—Payment  
3 under section 1903(a) shall not be made with respect to  
4 any payment adjustment made under this section for hos-  
5 pitals in a State (as defined in subsection (f)(4)(B)) unless  
6 such payment adjustment is made in amounts paid di-  
7 rectly to a disproportionate share hospital. For purposes  
8 of this subsection, any amount paid to a health mainte-  
9 nance organization, a health insuring organization, or  
10 other entity receiving payments on a prepaid basis (wheth-  
11 er or not on a risk basis) under contract with a State  
12 agency shall not be considered to be an amount paid di-  
13 rectly to a disproportionate share hospital, notwithstand-  
14 ing that the hospital has a contract or other agreement  
15 with such an organization or entity.”.

16       (b) EFFECTIVE DATE.—The amendment made by  
17 subsection (a) shall apply to payments made for calendar  
18 quarters beginning on or after the date of the enactment  
19 of this Act.

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